

STATE OF ARIZONA

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES
INPATIENT HOSPITAL CARE

be eligible to receive direct GME payments from AHCCCS once the hospital's cost and claim data are available.

A new hospital's statewide operating and capital components shall be updated annually by the DRI inflation factor.

B. Out-of-State Hospitals

Out-of-state hospitals providing covered services (excluding organ and transplantation services) to persons eligible for AHCCCS are paid based on the lower of negotiated discount rates, the statewide average inpatient cost-to-charge ratio multiplied by covered charges, or if reasonably and promptly available, the Medicaid rate in effect at the time the covered services are provided in the state in which the hospital is located.

Out-of-state hospitals providing covered organ and transplantation services to persons eligible for AHCCCS are paid negotiated rates, at the discretion of the Director.

C. New Programs

Hospitals with new programs that are not reflected on the Medicare Cost Reports used to establish the tiered per diem rates will not be included in the tiered per diem rates. However, at the discretion of the Director, new medical education programs may be recognized.

V. PAYMENT TO FREESTANDING PSYCHIATRIC HOSPITALS

Psychiatric hospitals are paid an all-inclusive per diem fee determined for urban and rural areas based on the contracted rates used by the mental health contractor, the Arizona Department of Health Services.

VI. APPEALS PROCEDURES

Facilities may appeal rates within the limits of Arizona statute through the AHCCCS grievance and appeals process. Facilities may also informally request a rate review.

TN No. 99-12
Supersedes
TN No. 97-07

Approval Date MAR 17 2000

Effective Date October 1, 1999

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The State has in place a public process which complies with the requirements of Section 1902(a)(13)(A) of the Social Security Act.

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REIMBURSEMENT FOR INDIAN HEALTH SERVICE
AND TRIBAL 638 TRIBAL FACILITIES

Effective January 1, 2000, AHCCCS will reimburse the Indian Health Service (IHS) and 638 tribal facilities for Medicaid inpatient hospital services in accordance with the OMB all-inclusive rate most recently published in the Federal Register. Additionally, AHCCCS reimburses the IHS and 638 tribal facilities for inpatient professional services based on the AHCCCS' capped fee-for-service schedule.

The Navajo Nation and the Gila River Indian Community operate a nursing facility on-reservation and are reimbursed based on the established fee-for-service rate for long term care facilities in Attachment 4.19-D. All inpatient professional services will be reimbursed based on the AHCCCS capped fee-for-service schedule.

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Supersedes

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